

From: "Hennesy, Pat" <phennesy@sompo-intl.com>
Sent: Thu, 1 Jun 2023 10:00:40 -0500 (CDT)
To: "Sentman, Jeremy" <JSentman@sompo-intl.com>
Subject: FW: Justice

Defendant's
Exhibit 12



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From: Beggs, Brian <bbeggs@sompo-intl.com>
Sent: Thursday, January 9, 2020 3:59 PM
To: Diers, Clinton <clint.diers@MarshMMA.com>
Cc: Sentman, Jeremy <JSentman@sompo-intl.com>; Hennesy, Pat <phennesy@sompo-intl.com>
Subject: RE: Justice

Clint

We will work on the agreement amendment later but here is what we will agree to

- Suspend collateral installments indefinitely (reserve the right to reinstate in the future)
- Raise the premium installments to \$300,000. We will reconsider once overdue premiums are fully paid at which time we will reset to match annual premiums at that time divided by 12
- We will make available \$2,750,000 of the current collateral to pay for close outs of idle permits.
- We will make collateral available in blocks of \$500,000. Once one block of \$500,000 is spent we will not release the next block until releases are received on the permits mutually identified for action
- Sompo will pay directly to mutually agreed to vendors for reclamation services

Regarding Jim Justice's indemnity, we will leave the trigger wording in place, however, as the exposure limits drop we will reconsider the level of indemnity required

Brian

From: Diers, Clinton <clint.diers@MarshMMA.com>
Sent: Tuesday, January 7, 2020 3:03 PM
To: Beggs, Brian <bbeggs@sompo-intl.com>

Cc: Sentman, Jeremy <JSentman@sompo-intl.com>
Subject: RE: Justice

EXTERNAL SENDER

10-4. That makes sense.

I was hoping you had addressed a plan to catch up the premiums. Perhaps double the monthly installment to \$400k? I'll do the math but that should catch us up by the end of the year, particularly if we get some bond releases and be offset by suspending the collateral installments.

I'll go back and look at the agreement, but I believe the personal guarantee is capped at \$20MM and gets increased to \$25MM if he missed a premium / collateral payment.

Clint

From: Beggs, Brian <bbeggs@sompo-intl.com>
Sent: Tuesday, January 7, 2020 3:21 PM
To: Diers, Clinton <clint.diers@MarshMMA.com>
Cc: Sentman, Jeremy <JSentman@sompo-intl.com>
Subject: RE: Justice

Clint, Jays note is close but we didn't commit exactly to those parameters. We said we would consider and get back to him at the end of the week.

Two points:

We would like to suspend the collateral installment but want to increase the premium installment. Considering how far behind he is on premium installments at \$200,000 isn't closing the gap
At what level does Jay think his Dad's indemnity is capped?

From: Diers, Clinton <clint.diers@MarshMMA.com>
Sent: Tuesday, January 7, 2020 1:42 PM
To: Beggs, Brian <bbeggs@sompo-intl.com>
Subject: Justice

EXTERNAL SENDER

Brian, Jay sent me a recap of your meeting and I wanted to share it with you make sure we're on the same page and in case it helps with your counter proposal. Looks like a bit of a disconnect with regard to the collateral payments, but it certainly would be great if the exiting collateral balances can help reduce liability by \$90MM.

Clint, Sorry we missed you. Hope you are feeling better. I think the meeting went well. We agreed to suspend any additional collateral payments. We will keep making the monthly 200K premium payments. We agreed to use the 5.75M in the collateral account to reduce the exposure in the field. Sompo to suggest an engineering firm to oversee the field work (whether performed by Justice or a contractor), and or paper work to get the bonds into phase 1, 2, or 3 release. This would be paid for via the 5.75M collateral account. Jeremy would administer. The overall expectation is to use the 5.75M to reduce the bond program from 120-125M to 30/40M over the next 18-24 months. At a high level. TN is reclaimed and needs released. All of AL is reclaimed except one MET mine and needs released. We want to keep the one MET Mine active. KY lots to release, a few large projects to reclaim. A few impoundments we likely want to keep. Most of WV will stay active. VA a couple sights to complete work. Rest of VA ready to release

now. Huge amounts of paperwork to do vs field work. Justice to propose how we use the 5.75M, and what it accomplishes by this Friday to Sompo. Sompo to propose the mechanics of the amended agreement by Friday. Jim Justice stays on the indemnity at the current level he is at today. We have a call lined up for next Thursday at 3p Central to finalize details. I told them we needed a agreement papered in the next week or so, as to not run up on the month end. This should capture the discussion, agreement, and plans forward. Thanks Jay

Let me know if you to discuss as your proposal comes together.

Thank you

Clint

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